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Karl Morell  
Of Counsel  
kmorell@balljanik.com

**FEE RECEIVED**

JUN 24 2011

**SURFACE  
TRANSPORTATION BOARD**

June 24, 2011

BY HAND DELIVERY

Cynthia Brown  
Chief, Section of Administration  
Surface Transportation Board  
Office of Proceedings  
395 E Street, SW  
Washington, DC 20423

Re: STB Docket No. AB-882 (Sub-No. 3X), Minnesota Commercial Railway  
Company -- Discontinuance of Lease Operations Exemption -- In  
Washington County, Minnesota

Dear Ms. Brown:

Attached for filing are the original and ten copies of a Notice of Exemption under  
49 C.F.R. § 1152.50. Also attached is a check covering the \$3,600 filing fee.

Please time and date stamp the extra copy of the Notice and return it with our  
messenger.

If you have any questions, please call me.

Sincerely,

Karl Morell  
Of Counsel

KM:KM

ENTERED  
Office of Proceedings

JUN 24 2011

Part of  
Public Record

**FILED**

JUN 24 2011

**SURFACE  
TRANSPORTATION BOARD**

Portland, Oregon

Bend, Oregon

Seattle, Washington

Washington, DC

**BEFORE THE**  
**SURFACE TRANSPORTATION BOARD**

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**STB DOCKET NO. AB-882 (SUB-NO. 3X)**

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**MINNESOTA COMMERCIAL RAILWAY COMPANY**  
**-- DISCONTINUANCE OF LEASE OPERATIONS EXEMPTION --**  
**IN WASHINGTON COUNTY, MINNESOTA**

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**NOTICE OF EXEMPTION**

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**Karl Morell**  
**Of Counsel**  
**Ball Janik LLP**  
**1455 F St., N.W.**  
**Suite 225**  
**Washington, D.C. 20005**  
**(202) 638-3307**

**Attorney for:**  
**MINNESOTA COMMERCIAL RAILWAY**  
**COMPANY**

**Dated: June 24, 2011**

**BEFORE THE**  
**SURFACE TRANSPORTATION BOARD**

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**STB DOCKET NO. AB-882 (SUB-NO. 3X)**

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**MINNESOTA COMMERCIAL RAILWAY COMPANY**  
**-- DISCONTINUANCE OF LEASE OPERATIONS EXEMPTION --**  
**IN WASHINGTON COUNTY, MINNESOTA**

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**NOTICE OF EXEMPTION**

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Minnesota Commercial Railway Company ("MNNR") files this Verified Notice of Exemption pursuant to the class exemption at 49 C.F.R. § 1152.50 to discontinue its lease operations over the 0.51-mile rail line located between milepost 15.59 and milepost 16.10, at Hugo, in Washington County, Minnesota (the "Line").

1. Proposed consummation date.

The proposed consummation date is August 13, 2011.

2. Certification required by 49 C.F.R. § 1152.50(b).

The required certification is attached hereto as Exhibit A.

3. Information required by 49 C.F.R. § 1152.22(a)(1) through (4), (7), and (8), and (e)(4).

- (a) General.

- (1) Exact name of applicant.

Minnesota Commercial Railway Company

- (2) Whether applicant is a common carrier by railroad subject to 49 U.S.C. Subtitle IV, Chapter 105.

MNNR is a common carrier by railroad subject to 49 U.S.C.

Subtitle IV, Chapter 105.

(3) Relief sought.

MNNR seeks to use the class exemption at 49 C.F.R. § 1152.50 to discontinue its lease operations over the 0.51-mile rail line located between milepost 15.59 and milepost 16.10, at Hugo, in Washington County, Minnesota.<sup>1</sup> There has been no local or overhead traffic on the Line in over two years. BNSF Railway Company ("BNSF"), the owner of the Line, is seeking an exemption to abandon the Line in STB Docket No. AB-6 (Sub-No. 474X), *BNSF Railway Company – Abandonment Exemption – In Washington County, MN*.

(4) Map.

A Map depicting the trackage covered by the proposed discontinuance is attached as Exhibit B.

(7) Name, title, and address of representative of applicant to whom correspondence should be sent.

Karl Morell  
Ball Janik LLP  
655 Fifteenth Street, N.W., Suite 225  
Washington, DC 20005  
(202) 638-3307

(8) List of all United States Postal Service ZIP Codes that the line proposed for discontinuance traverses.

The Line traverses ZIP Code 55038.

(e) Rural and community impact.

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<sup>1</sup> MNNR was authorized to lease the Line in 1998. See STB Finance Docket No. 33577, *Minnesota Commercial Railway Co. – Lease and Operation Exemption – Burlington Northern Santa Fe Railway Co.* (not printed), served April 10, 1998.

- (4) Statement of whether the properties proposed to be abandoned are appropriate for use for other public purposes, including roads and highways, other forms of mass transportation, conservation, energy production or transmission, or recreation. If the applicant is aware of any restriction on the title to the property, including any reversionary interest, which would affect the transfer of title or the use of property for other than rail purposes, this shall be disclosed.

The right-of-way is suitable for a trail. According to BNSF, some of the property underlying the right-of-way is reversionary. Based on information in BNSF's possession, the Line does not contain federally granted rights-of-way. Any documentation in MNNR's possession will be made available promptly to those requesting it.

4. The level of labor protection.

The interests of railroad employees who may be adversely affected by the proposed discontinuance will be adequately protected by the labor protective conditions in Oregon Short Line R. Co. – Abandonment – Goshen, 360 I.C.C. 91 (1979).

5. Certification.

Certificates of compliance with the notice requirements of 49 C.F.R. §§ 1152.50(d)(1) and 1105.12 are attached as Exhibit C.

6. Environmental and Historic Reporting Requirements.

Environmental and Historic Reports were prepared by BNSF and filed with the Board in STB Docket No. AB-6 (Sub-No. 474), and, to the extent deemed necessary, MNMR adopts those Reports.

Respectfully submitted,

A handwritten signature in black ink that reads "Karl Morell". The signature is written in a cursive, flowing style.

Karl Morell  
Of Counsel  
Ball Janik LLP  
655 Fifteenth Street, N.W., Suite 225  
Washington, D.C. 20005  
(202) 638-3307

Attorney for:  
MINNESOTA COMMERCIAL RAILWAY  
COMPANY

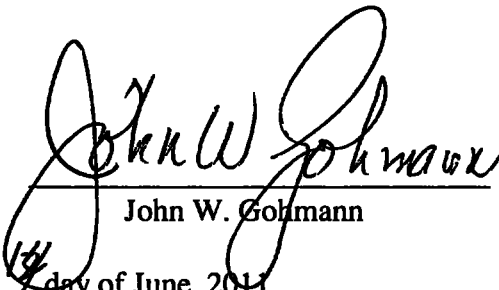
Dated: June 24, 2011

**VERIFICATION AND CERTIFICATION THAT RAIL LINE MEETS  
CRITERIA OF 49 C.F.R. SECTION 1152.50(b)**

I, John W. Gohmann, being duly sworn depose and state that I am Chairman and President of Minnesota Commercial Railway Company ("MNNR"), that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.

I hereby certify that no local traffic has been handled to or from any customer over the rail line located between milepost 15.59 and milepost 16.10, at Hugo, in Washington County, Minnesota (the "Line") for at least two (2) years prior to the date hereof. Also, no overhead traffic has been handled on the Line for at least two (2) years prior to the date hereof. Further, no formal complaint filed by a user of rail service on the Line (or a State or local government entity acting on behalf of such user) regarding cessation of service over the Line either is pending with the Surface Transportation Board or any U.S. District Court or has been decided in favor of a complainant within the two-year period.

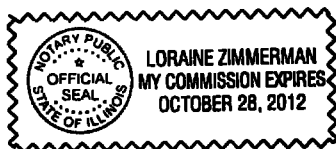
The foregoing certification is made on behalf of MNNR by the undersigned after due and careful investigation of the matters herein certified and based on the best of the knowledge, information, and belief of the undersigned.

  
John W. Gohmann

SUBSCRIBED AND SWORN TO before me this 14 day of June, 2011.

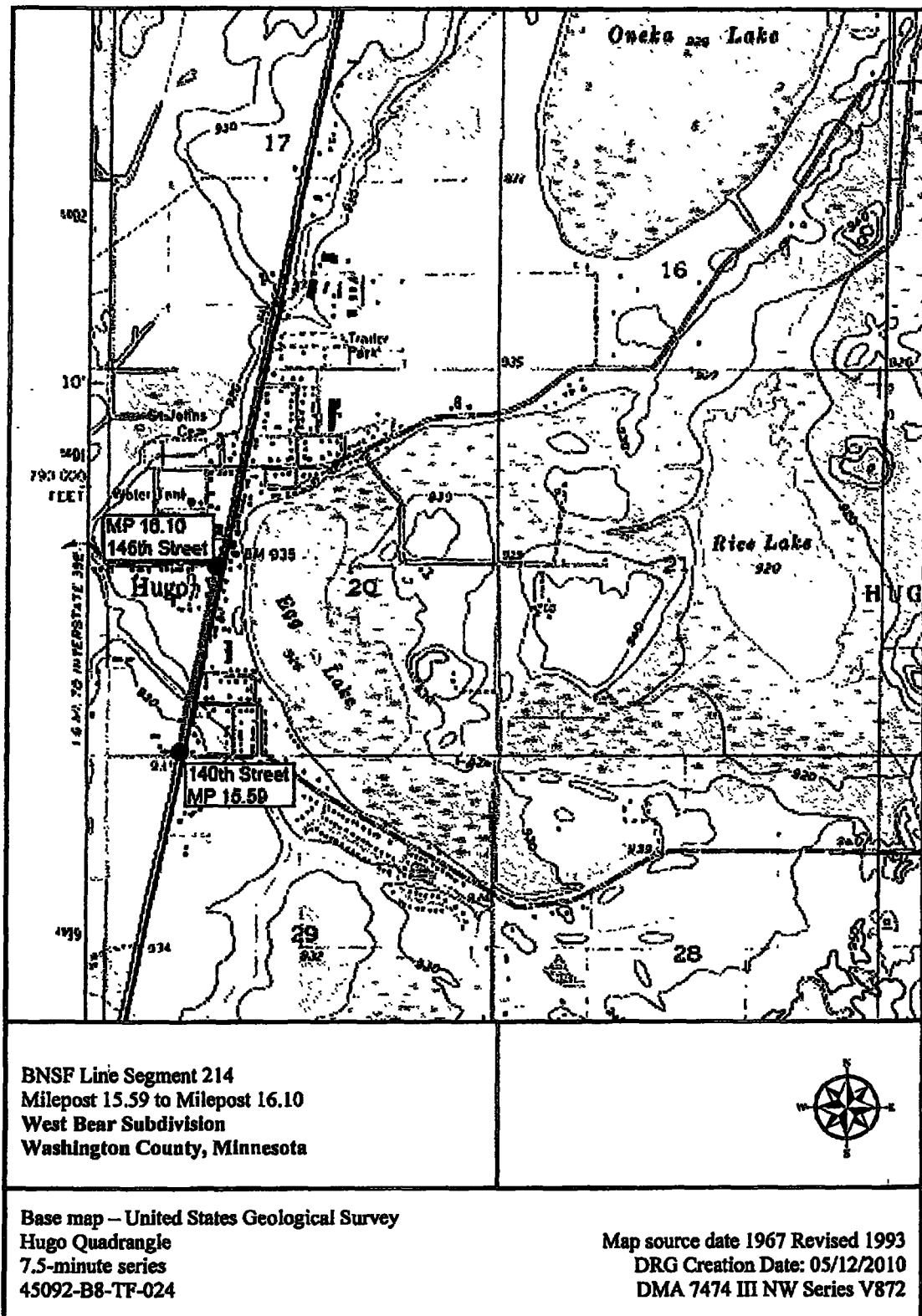
My Commission Expires: 10/28/12

  
Notary Public





# EXHIBIT B



**EXHIBIT C**

**CERTIFICATE OF SERVICE**

Pursuant to 49 C.F.R. § 1152.50(d)(1), the undersigned hereby certifies that notice of the proposed discontinuance of lease operations in STB Docket No. AB-882 (Sub-No. 3X) was mailed via first class mail on June 14, 2011 to the following parties:

**State Public Service Commission**

Minnesota Public Utilities Commission  
121 Seventh Place, East, Suite 350  
St. Paul, MN 55101-2147

Minnesota Transportation Department  
395 John Ireland Boulevard  
St. Paul, MN 55155

**Military Traffic Management Command**

MTMC TEA  
ATTN: SETE-SE  
Railroads for National Defense  
709 Ward Drive, Building 1990  
Scott AFB, IL 62225-5357

**National Park Service**

U.S. Department of Interior - National Park Service  
Recreation Resources Assistance Division  
1849 C Street, NW  
Washington, DC 20240-0001

National Park Service  
RTCA Program  
601 Riverfront Drive  
Omaha, NE 68102-4226

**U.S. Department of Agriculture**

U.S. Department of Agriculture  
Chief of the Forest Service  
4th Floor N.W., Yates Building  
201 14th Street, S.W.  
Washington, DC 20250

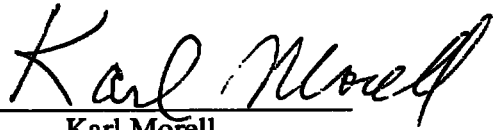
Dated: June 24, 2011

  
Karl Morell

### **CERTIFICATE OF PUBLICATION**

The undersigned hereby certifies that notice of the proposed discontinuance of lease operations in STB Docket No. AB-882 (Sub-No. 3X) was published on June 15, 2011 in the Stillwater Gazette, a newspaper of general circulation in Washington County, Minnesota as required by 49 C.F.R. § 1105.12.

Dated: June 24, 2011

A handwritten signature in black ink, appearing to read "Karl Morell", written over a horizontal line.

Karl Morell